

**CONSOLIDATED PENSION TRUST**  
**INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2004**

	August-04					July-04					Current FYTD		Prior Year FY04		3 Years Ended 6/30/2004	5 Years Ended 6/30/2004
	Allocation			Returns-Month		Allocation			Returns-Month		Returns		Returns		Net	Net
	Market Value	Actual	Policy(1)	Gross	Net	Market Value	Actual	Policy(1)	Gross	Net	Gross	Net	Gross	Net		
LARGE CAP DOMESTIC EQUITY																
Structured Growth																
LA Capital	117,192,739	4.3%	4.5%	-0.55%	-0.57%	117,934,876	4.3%	4.5%	-5.11%	-5.13%	-5.62%	-5.68%	N/A	N/A	N/A	N/A
Total Structured Growth	117,192,739	4.3%	4.5%	-0.55%	-0.57%	117,934,876	4.3%	4.5%	-5.11%	-5.13%	-5.62%	-5.68%	19.57%	19.20%	-5.87%	-7.07%
Russell 1000 Growth				-0.49%	-0.49%				-5.65%	-5.65%	-6.12%	-6.12%	17.88%	17.88%	-3.74%	-6.48%
Structured Value																
LSV	130,799,055	4.8%	4.5%	1.50%	1.47%	128,874,554	4.7%	4.5%	-1.23%	-1.26%	0.25%	0.20%	29.86%	29.44%	9.20%	8.31%
Russell 1000 Value				1.42%	1.42%				-1.41%	-1.41%	-0.01%	-0.01%	21.13%	21.13%	2.96%	0.64%
Enhanced Russell 1000 Index																
LA Capital	160,823,439	5.9%	6.0%	0.11%	0.10%	160,720,647	5.9%	6.0%	-4.03%	-4.05%	-3.93%	-3.96%	18.80%	18.59%	-0.17%	N/A
Russell 1000				0.49%	0.49%				-3.51%	-3.51%	-3.04%	-3.04%	19.48%	19.48%	-0.32%	N/A
Enhanced S&P 500 Index																
Northern Trust	162,895,089	6.0%	6.0%	0.35%	0.33%	162,398,692	6.0%	6.0%	-3.65%	-3.67%	-3.31%	-3.35%	19.24%	19.00%	-0.31%	N/A
Strong	19,759	0.0%	0.0%	0.02%	0.00%	5,029,558	0.2%	0.0%	0.02%	0.00%	0.04%	0.00%	21.40%	21.13%	-0.06%	N/A
Westridge	162,459,992	5.9%	6.0%	0.46%	0.44%	161,823,567	6.0%	6.0%	-3.28%	-3.30%	-2.84%	-2.88%	19.64%	19.30%	-0.36%	N/A
Total Enhanced S&P 500 Index	325,374,840	11.9%	12.0%	0.40%	0.38%	329,251,817	12.1%	12.0%	-3.16%	-3.18%	-2.77%	-2.81%	20.09%	19.81%	-0.24%	N/A
S&P 500				0.40%	0.40%				-3.31%	-3.31%	-2.92%	-2.92%	19.11%	19.11%	-0.69%	N/A
S&P 500 Index																
State Street	82,848,642	3.0%	3.0%	0.41%	0.41%	82,515,525	3.0%	3.0%	-3.31%	-3.31%	-2.91%	-2.92%	19.10%	19.08%	-0.67%	-2.17%
S&P 500				0.40%	0.40%				-3.31%	-3.31%	-2.92%	-2.92%	19.11%	19.11%	-0.69%	-2.20%
TOTAL LARGE CAP DOMESTIC EQUITY	817,038,715	29.9%	30.1%	0.29%	0.27%	819,297,419	30.1%	30.1%	-3.41%	-3.43%	-3.14%	-3.17%	20.65%	20.38%	0.08%	-2.14%
S&P 500				0.40%	0.40%				-3.31%	-3.31%	-2.92%	-2.92%	19.11%	19.11%	-0.69%	-2.20%
SMALL CAP DOMESTIC EQUITY																
Manager-of-Managers																
SEI	255,261,115	9.3%	9.9%	-1.17%	-1.22%	258,602,200	9.5%	9.9%	-7.27%	-7.32%	-8.35%	-8.45%	34.13%	33.33%	5.76%	N/A
Russell 2000 + 200bp (annually)				-0.35%	-0.35%				-6.57%	-6.57%	-6.89%	-6.89%	35.99%	35.99%	8.43%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	255,261,115	9.3%	9.9%	-1.17%	-1.22%	258,602,200	9.5%	9.9%	-7.27%	-7.32%	-8.35%	-8.45%	34.13%	33.33%	5.76%	6.81%
Russell 2000				-0.51%	-0.51%				-6.73%	-6.73%	-7.21%	-7.21%	33.36%	33.36%	6.24%	6.63%
INTERNATIONAL EQUITY																
Large Cap - Core																
State Street	81,820,679	3.0%	2.9%	-0.01%	-0.03%	81,876,082	3.0%	2.9%	-3.02%	-3.04%	-3.03%	-3.07%	27.73%	27.44%	0.42%	-1.44%
MSCI EAFE - 50% Hedged				0.12%	0.12%				-2.80%	-2.80%	-2.68%	-2.68%	26.98%	26.98%	-1.27%	-1.15%
Large Cap - Active																
Capital Guardian	197,918,280	7.2%	7.3%	0.36%	0.33%	197,719,731	7.3%	7.3%	-2.94%	-2.97%	-2.59%	-2.65%	25.82%	25.40%	-1.15%	1.54%
Bank of Ireland	39,959,707	1.5%	1.5%	-0.08%	-0.13%	40,077,071	1.5%	1.5%	-3.29%	-3.34%	-3.37%	-3.46%	24.33%	23.61%	N/A	N/A
Total Large Cap - Active	237,877,987	8.7%	8.8%	0.29%	0.25%	237,796,802	8.7%	8.8%	-3.00%	-3.03%	-2.72%	-2.78%	25.57%	25.11%	-0.79%	1.76%
MSCI EAFE - 50% Hedged				0.12%	0.12%				-2.80%	-2.80%	-2.68%	-2.68%	26.98%	26.98%	-1.27%	-1.15%
Small Cap - Active																
Lazard	42,515,264	1.6%	1.5%	0.70%	0.66%	42,240,820	1.6%	1.5%	-2.80%	-2.84%	-2.12%	-2.20%	45.11%	44.40%	N/A	N/A
Wellington	39,689,493	1.5%	1.5%	-1.10%	-1.15%	42,241,305	1.6%	1.5%	-4.60%	-4.65%	-5.65%	-5.75%	43.14%	42.26%	N/A	N/A
Total Small Cap - Active	82,204,757	3.0%	2.9%	-0.20%	-0.25%	84,482,125	3.1%	2.9%	-3.69%	-3.74%	-3.88%	-3.97%	44.05%	43.25%	N/A	N/A
Citigroup Broad Market Index < \$2BN				1.00%	1.00%				-4.20%	-4.20%	-3.24%	-3.24%	47.95%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	401,903,423	14.7%	14.7%	0.12%	0.09%	404,155,009	14.9%	14.7%	-3.15%	-3.18%	-3.03%	-3.10%	29.70%	29.19%	2.00%	1.63%
MSCI EAFE - 50% Hedged				0.12%	0.12%				-2.80%	-2.80%	-2.68%	-2.68%	26.98%	26.98%	-1.27%	-1.15%
EMERGING MARKETS EQUITY																
Capital Guardian	131,547,324	4.8%	4.8%	4.23%	4.19%	126,254,193	4.6%	4.8%	-1.90%	-1.94%	2.25%	2.17%	28.53%	27.91%	8.93%	2.83%
MSCI Emerging Markets Free				4.19%	4.19%				-1.77%	-1.77%	2.34%	2.34%	33.50%	33.50%	13.09%	3.25%
DOMESTIC FIXED INCOME																
Core Bond																
Western Asset	53,883,990	2.0%	1.6%	2.07%	2.06%	52,800,243	1.9%	1.7%	1.24%	1.23%	3.34%	3.31%	2.20%	2.02%	8.00%	8.39%
Lehman Aggregate				1.91%	1.91%				0.99%	0.99%	2.92%	2.92%	0.32%	0.32%	6.35%	6.95%
Active Duration																
WestAM (Criterion)	52,289,840	1.9%	1.6%	1.55%	1.53%	51,484,077	1.9%	1.7%	0.90%	0.88%	2.46%	2.42%	-0.01%	-0.25%	5.14%	6.43%
Lehman Aggregate				1.91%	1.91%				0.99%	0.99%	2.92%	2.92%	0.32%	0.32%	6.35%	6.95%
Index																
Bank of ND	79,325,413	2.9%	2.9%	2.19%	2.19%	92,420,902	3.4%	3.4%	0.95%	0.95%	3.16%	3.15%	-0.97%	-1.03%	6.88%	7.04%
Bank of ND Match Loan CD Program	36,169,275	1.3%	1.3%	0.36%	0.36%	21,205,984	0.8%	0.8%	0.42%	0.42%	0.79%	0.79%	5.08%	5.08%	5.57%	5.70%
Total Index	115,494,688	4.2%	4.2%	1.85%	1.84%	113,626,886	4.2%	4.2%	0.85%	0.85%	2.72%	2.71%	0.28%	0.23%	6.79%	6.83%
Lehman Gov/Credit				2.12%	2.12%				1.06%	1.06%	3.19%	3.19%	-0.72%	-0.72%	6.73%	7.10%

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	Market Value	Allocation Actual	Policy(1)	Returns-Month Gross	Returns-Month Net	Market Value	Allocation Actual	Policy(1)	Returns-Month Gross	Returns-Month Net	Returns Gross	Returns Net	Returns Gross	Returns Net	Net	Net
<b>Convertibles</b>																
<b>TCW</b>	49,602,941	1.8%	1.6%	-0.33%	-0.36%	49,850,723	1.8%	1.7%	-4.80%	-4.83%	-5.11%	-5.17%	17.17%	16.74%	0.51%	3.89%
<i>First Boston Convertible Index</i>				-0.30%	-0.30%				-2.49%	-2.49%	-2.78%	-2.78%	14.44%	14.44%	4.95%	5.78%
<b>BBB Average Quality</b>																
<b>Strong</b>	51,986,902	1.9%	1.6%	2.41%	2.39%	50,767,981	1.9%	1.7%	1.59%	1.57%	4.03%	4.00%	1.50%	1.29%	6.26%	7.23%
<i>Lehman US Credit BAA</i>				2.55%	2.55%				1.40%	1.40%	3.99%	3.99%	1.23%	1.23%	8.23%	6.60%
<b>Timberland</b>																
<b>Evergreen (Wachovia)</b>	164,457,721	6.0%	6.0%	4.00%	3.93%	158,241,513	5.8%	5.8%	0.07%	0.00%	4.08%	3.93%	11.41%	10.46%	N/A	N/A
															N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	487,716,082	17.8%	16.7%	2.39%	2.35%	476,771,423	17.5%	16.7%	0.07%	0.04%	2.46%	2.40%	5.45%	5.08%	6.35%	7.34%
<i>Lehman Aggregate</i>				1.91%	1.91%				0.99%	0.99%	2.92%	2.92%	0.32%	0.32%	6.35%	6.95%
<b>HIGH YIELD BONDS</b>																
<b>Loomis Sayles</b>	82,827,188	3.0%	2.9%	3.08%	3.04%	80,513,327	3.0%	2.9%	1.25%	1.21%	4.37%	4.29%	N/A	N/A	N/A	N/A
<i>Lehman High Yield Cash Pay Index</i>				1.96%	1.96%				1.37%	1.37%	3.36%	3.36%	N/A	N/A	N/A	N/A
<b>Sutter/Wells Capital</b>	83,178,680	3.0%	2.9%	1.56%	1.52%	82,009,708	3.0%	2.9%	1.34%	1.30%	2.92%	2.84%	N/A	N/A	N/A	N/A
<i>Merrill Lynch High Yield Master II Index</i>				1.84%	1.84%				1.33%	1.33%	3.19%	3.19%	N/A	N/A	N/A	N/A
<b>TOTAL HIGH YIELD BONDS</b>	166,005,868	6.1%	5.8%	2.31%	2.27%	162,523,035	6.0%	5.8%	1.30%	1.26%	3.64%	3.56%	7.96%	7.69%	6.68%	2.79%
<i>Lehman High Yield Bond Index</i>				1.96%	1.96%				1.36%	1.36%	3.35%	3.35%	10.33%	10.33%	9.30%	4.78%
<b>INTERNATIONAL FIXED INCOME</b>																
<b>International Sovereign</b>																
<b>UBS Global (Brinson)</b>	67,133,922	2.5%	2.5%	2.35%	2.32%	65,661,835	2.4%	2.5%	-0.93%	-0.96%	1.40%	1.33%	8.29%	7.86%	14.20%	6.47%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				2.45%	2.45%				-0.88%	-0.88%	1.55%	1.55%	7.59%	7.59%	13.65%	6.84%
<b>International Core</b>																
<b>Brandywine</b>	68,467,145	2.5%	2.5%	1.70%	1.67%	67,310,129	2.5%	2.5%	0.30%	0.27%	2.01%	1.94%	10.09%	9.65%	N/A	N/A
<i>Lehman Global Aggregate (ex-US)</i>				2.38%	2.38%				-0.70%	-0.70%	1.66%	1.66%	5.20%	5.20%	N/A	N/A
<b>TOTAL INTERNATIONAL FIXED INCOME</b>	135,601,067	5.0%	5.0%	2.02%	1.99%	132,971,964	4.9%	5.0%	-0.30%	-0.34%	1.71%	1.64%	9.21%	8.78%	14.41%	6.59%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				2.45%	2.45%				-0.88%	-0.88%	1.55%	1.55%	7.59%	7.59%	13.65%	6.84%
<b>REAL ESTATE</b>																
<b>JMB</b>	17,260			0.00%	0.00%	31,472			0.00%	0.00%	0.00%	0.00%	1.45%	1.45%	-5.90%	-3.04%
<b>INVESCO</b>	82,630,021			0.37%	0.30%	82,382,349			-0.10%	-0.17%	0.27%	0.13%	7.56%	6.72%	5.80%	7.59%
<b>J.P. Morgan</b>	90,621,973			1.10%	1.02%	89,711,008			0.77%	0.68%	1.88%	1.70%	12.29%	11.11%	7.63%	9.54%
<b>TOTAL REAL ESTATE</b>	173,269,254	6.3%	6.8%	0.76%	0.68%	172,124,829	6.3%	6.8%	0.36%	0.28%	1.12%	0.97%	9.92%	8.87%	6.70%	8.55%
<i>NCREIF Total Index</i>				1.03%	1.03%				1.03%	1.03%	2.08%	2.08%	10.82%	10.82%	8.40%	9.33%
<b>ALTERNATIVE INVESTMENTS</b>																
<b>Brinson IVCF III</b>	1,029,644			0.00%	0.00%	1,029,644			0.00%	0.00%	0.00%	0.00%	18.99%	16.88%	16.12%	56.18%
<b>Brinson IVCF II</b>	211,159			0.00%	0.00%	212,255			0.00%	0.00%	0.00%	0.00%	22.02%	19.39%	-7.72%	4.43%
<b>Coral Partners II</b>	120,310			0.00%	0.00%	120,310			0.00%	0.00%	0.00%	0.00%	19.27%	14.14%	-16.27%	-15.91%
<b>Coral Partners V</b>	11,958,991			0.00%	0.00%	11,959,129			0.00%	0.00%	0.00%	0.00%	-25.93%	-31.07%	-34.06%	-13.63%
<b>Coral Partners V - Supplemental</b>	1,422,238			0.00%	0.00%	1,422,238			0.00%	0.00%	0.00%	0.00%	33.65%	30.44%	N/A	N/A
<b>Coral Partners VI</b>	7,734,360			0.00%	0.00%	7,873,889			0.00%	0.00%	0.00%	0.00%	-10.55%	-21.72%	N/A	N/A
<b>Brinson 1998 Partnership Fund</b>	3,309,545			0.00%	0.00%	3,309,545			0.00%	0.00%	0.00%	0.00%	11.61%	9.41%	-7.52%	3.66%
<b>Brinson 1999 Partnership Fund</b>	4,961,033			0.00%	0.00%	5,522,903			0.00%	0.00%	0.00%	0.00%	16.96%	14.66%	-9.09%	-1.33%
<b>Brinson 2000 Partnership Fund</b>	9,171,285			0.00%	0.00%	9,171,285			0.00%	0.00%	0.00%	0.00%	13.42%	11.19%	-6.65%	N/A
<b>Brinson 2001 Partnership Fund</b>	4,233,167			0.00%	0.00%	4,233,167			0.00%	0.00%	0.00%	0.00%	8.79%	6.64%	-2.03%	N/A
<b>Brinson 2002 Partnership Fund</b>	2,404,852			0.00%	0.00%	2,404,852			0.00%	0.00%	0.00%	0.00%	16.72%	14.42%	N/A	N/A
<b>Brinson 2003 Partnership Fund</b>	330,720			0.00%	0.00%	330,720			0.00%	0.00%	0.00%	0.00%	-2.69%	-4.63%	N/A	N/A
<b>Brinson 1999 Non-US Partnership Fund</b>	2,787,485			0.00%	0.00%	2,787,485			0.00%	0.00%	0.00%	0.00%	23.78%	21.09%	8.14%	4.24%
<b>Brinson 2000 Non-US Partnership Fund</b>	3,481,055			0.00%	0.00%	3,481,055			0.00%	0.00%	0.00%	0.00%	17.95%	15.38%	5.71%	N/A
<b>Brinson 2001 Non-US Partnership Fund</b>	2,176,357			0.00%	0.00%	2,176,357			0.00%	0.00%	0.00%	0.00%	19.23%	16.63%	3.39%	N/A
<b>Brinson 2002 Non-US Partnership Fund</b>	3,269,458			0.00%	0.00%	3,269,458			0.00%	0.00%	0.00%	0.00%	21.31%	18.67%	N/A	N/A
<b>Brinson 2003 Non-US Partnership Fund</b>	774,779			0.00%	0.00%	774,779			0.00%	0.00%	0.00%	0.00%	-1.75%	-3.93%	N/A	N/A
<b>Brinson 2004 Non-US Partnership Fund</b>	149,946			0.00%	0.00%	149,946			0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A
<b>Brinson BVCF IV</b>	15,833,730			0.00%	0.00%	15,833,730			0.00%	0.00%	0.00%	0.00%	22.67%	21.17%	-9.85%	-10.01%
<b>Matlin Patterson Global Opportunities</b>	17,775,256			0.00%	0.00%	22,654,631			0.00%	0.00%	0.00%	0.00%	14.70%	13.00%	N/A	N/A
<b>InvestAmerica</b>	3,804,507			0.00%	0.00%	3,804,507			0.00%	0.00%	0.00%	0.00%	3.42%	-7.73%	N/A	N/A
<b>Hearthstone MSII</b>	1,860,190			0.00%	0.00%	899,981			0.00%	0.00%	0.00%	0.00%	68.88%	28.64%	20.32%	N/A
<b>Hearthstone MSIII</b>	22,371,749			0.00%	0.00%	18,266,557			0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A
<b>TOTAL ALTERNATIVE INVESTMENTS (3)</b>	121,171,816	4.4%	4.8%	0.00%	0.00%	121,688,423	4.5%	4.8%	0.00%	0.00%	0.00%	0.00%	8.43%	3.03%	-13.22%	-0.85%
<b>CASH EQUIVALENTS</b>																
<b>Northern Trust STIF/STEP</b>	42,962,535	1.6%	1.5%	0.13%	0.11%	43,658,062	1.6%	1.5%	0.14%	0.12%	0.26%	0.23%	1.64%	1.44%	1.86%	3.48%
<i>90 Day T-Bill</i>				0.12%	0.12%				0.12%	0.12%	0.24%	0.24%	0.98%	0.98%	1.71%	3.29%
<b>TOTAL PENSION TRUST</b>	2,732,477,199	100.0%	100.0%	0.90%	0.86%	2,718,046,557	100.0%	100.0%	-2.27%	-2.30%	-1.39%	-1.45%	18.48%	17.79%	4.10%	3.28%
<b>POLICY TARGET BENCHMARK</b>				0.92%	0.92%				-1.88%	-1.88%	-0.98%	-0.98%	16.53%	16.53%	3.75%	2.43%

**NOTE: Monthly returns and market values are preliminary and subject to change.**

(1) Because each fund within the Pension Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.